

ARE COOPERATIVES USING GOVERNMENT AND
UNIVERSITY RESOURCES EFFECTIVELY?

THE STATE COOPERATIVE COUNCIL
AN EFFECTIVE CONNECTING LINK*

by

Charles H. Ingraham
Extension Economist
Business Management
Ohio State University

In response to the question "Are cooperatives using Government and University Resources effectively" it is my personal observation that they are not, and by not doing so, cooperatives are not taking advantage of valuable resources that are available to them.

My specific topic is "The State Cooperative Council - An Effective Connecting Link".

Let me first support my negative answer to the question "Are cooperatives using Government and University Resources effectively". I recognize that there are some cooperatives that are using Government and University resources effectively. It is my belief, however, that the majority of our agricultural cooperatives are not availing themselves of the valuable resources available from universities and governmental agencies. The excuses are: "We didn't know they could help;" "They spend all their time helping the XYZ Coop and XYZ just wants to take us over;" "We want to keep our plans away from our competition;" "They are not with it;" "We have our own educators and researchers;" etc.

Universities and governmental agencies have been established and staffed by society to provide assistance to farmers. Agricultural Cooperatives have long been recognized as effective vehicles for transferring research results from Agricultural Experiment Stations to application on farms. The Farmers Cooperative Service was established to assist cooperatives.

It is my observation that some cooperatives make use of production resources but a lesser number use the resources that deal with people, marketing, business management, etc.

* Presentation made at National Institute on Cooperative Education
American Institute of Cooperation, Iowa State University, Ames,
Iowa, August 1, 1972.

State Councils Can Be An Effective Link

The effectiveness of State Cooperative Councils as a link to facilitate the use of the resources available from universities and governmental agencies is, as in a cooperative, directly dependent upon people. State Cooperative Councils can be an effective link in cooperatives using the resources of Governmental agencies and universities or an effective link in discouraging the use of resources depending upon the efforts put forth by the members of the council.

Cooperatives must be willing to work together in a State Cooperative Council. Paying dues and sending someone to the council meeting is not enough to forge an effective link. Cooperatives must be willing to get involved.

Effective State Councils are those that are composed of cooperative leaders who are decision makers in their cooperative, who have a sincere desire to work with their cooperatives and who recognize that they and their coop are going to get out of their State Council only in proportion to what they are willing to put into it. Cooperative leaders can, by working together in State Councils, cause to be made available resources for cooperatives. In Ohio we have an excellent example. The College of Agriculture, Cooperative Extension Service and Department of Agricultural Economics and Rural Sociology have contracted with the Ohio Council of Farmer Cooperatives to provide resources to Ohio Cooperatives.

Once the resources are made available, cooperatives must use them or the people and money allocated to the resource will be reassigned to those interests that will not only request the resources but will use them. This is in fact what I believe has happened in recent years because coops have not been asking for and using the resources that were available to them.

Coops - A Tool of Educators

Few business firms in our competitive economy have enjoyed as close a relationship as cooperatives have had with universities and governmental agencies. I know of no agricultural cooperative in Ohio, including those organized today to duplicate services offered by existing cooperatives, that was not closely associated at some stage of its organization and development with a County Agent, Vocational Agricultural teacher, Extension Specialist or some governmental or university representative. As time passes, people retire or change positions and this is true for cooperatives as well as universities and governmental agencies. Those close personal ties of agencies with cooperatives can be lost. Persons in new positions strive to make their mark. This competitive spirit often limits the close ties of universities, agencies and cooperatives. A state cooperative council can be the vehicle to bring these individuals and cooperatives together by sponsoring activities to involve all parties.

As I See It

As I see it, from the university or government point of view, state cooperative councils offer a vehicle that will facilitate the distribution of information and services and do so in the most efficient manner. One program can often serve all coops that belong to a state council as opposed to 20 duplicate programs to serve 20 cooperatives individually. The combined approach for reaching all cooperatives, through a coop council, is most impressive to a university or government agency. It demonstrates first a wide recognition of need and a broad based support for the program.

Administrators of universities and governmental agencies may be motivated to provide additional resources by the support they anticipate from the collective involvement of the cooperatives in a state council.

Involve More Cooperatives

The university or government representative recognizes that through the state council approach he can more efficiently serve all cooperatives equitably. All of us at universities or with government agencies have, at one time, been accused of giving more help to one coop than another when our services are requested on an individual coop basis. I recognize the danger and truth in this situation. Some coop directors and employees are more cooperative with universities and agencies than others. They plan ahead, they recognize the values to be obtained from educational or research programs and utilize these by keeping us scheduled assisting their coop. Each of us enjoys working with people who appear to appreciate our efforts. Or I might say - "the squeaking wheel gets the grease--if it is equipped with a grease fitting". This approach tends to align us more closely with some cooperatives and at the same time widen our "contact gap" with those cooperatives who fail to provide an effective way for us to work with them.

State cooperative councils can provide an opportunity for those of us at universities and with governmental agencies to reach more cooperatives. I have observed that coops that belong to state councils can be "persuaded" by the other coops in the council to cooperate with universities and governmental agencies. I have observed cooperatives that never used the resources of the University, Farmer Cooperative Service, Cooperative Extension Service, or AIC and NCFC have "Gone along" with the state council to use the resources of these agencies in council programs and discovered the opportunities available to them by working with universities and agencies.

State councils can provide a valuable two way communication link between all cooperatives and universities and governmental agencies. State councils can cause needed resources to be made available and used. If the state council only makes a big noise and/or appropriates sums of money to have resources made available and then does not use this newly available resource, the council's role as an effective link is questionable.

Again let me emphasize that state councils can be a most effective link in not only cooperatives making use of resources but state councils can cause new or additional resources to be made available; however, it must be kept in mind that like cooperatives state councils require the involvement of people to be successful.

OCFC and OSU Contract

I was asked to briefly describe the arrangement Ohio Cooperatives have with the Ohio State University. This arrangement was an effective link in causing resources to be made available to Ohio Cooperatives. The following is a statement used by Mr. George R. Robey, Jr., past president of the Ohio Council of Farmer Cooperatives: "The Ohio Council of Farmer Cooperatives has contracted with the College of Agriculture, The Ohio State University, to assist the OCFC with its educational program and to enhance the capability of the Ohio State University to discharge its obligations in working with cooperatives as a part of its total responsibilities in Agricultural Business Management. One staff member in the Department of Agricultural Economics will devote approximately 50% of his time as a consultant and coordinator of Education Programs.

Coop leaders in each county are encouraged to organize a coop council and to elect one of their members as County Coop Chairman. The County Coop Chairman provides the leadership for cooperative education programs in his county. The Extension Area Centers are the basis for dividing the state into work areas. County Coop Chairmen within each of the ten extension areas (see map) elect an area coop chairman who works closely with the Consultant-Coordinator and the Education and Youth Committees of the OCFC.

Members of the Ohio Council of Farmer Cooperatives are:

- Central Ohio Breeding Association
- Columbus Fruit & Vegetable Cooperative
- Farm Insurance Mutuals of Ohio
- Landmark, Inc.
- Louisville Bank for Cooperatives
- Nationwide Insurance Company
- Northern Ohio Breeding Association
- Ohio Agricultural Marketing Association
- Ohio Farmers
- Ohio Federation of Federal Land Bank Assn.
- Ohio Federation of Production Credit Assn.
- Ohio Milk Producers Federation
- Ohio Potato Growers Assn.
- Ohio Rural Electric Cooperatives, Inc.
- Ohio State Grange
- Ohio Wool Growers Cooperative Assn.
- Producers Livestock Assn.

The OCFC is a member of the American Institute of Cooperation, The National Council of Farmer Cooperatives and The Association of State Secretaries of Farmer Cooperatives."1/

1/ George R. Robey, Jr., Public Relations Director, Past President of The Ohio Council of Farmer Cooperatives.